

**Amendments to the Specification:**

Please replace the on page 29, with the following rewritten paragraph:

~~The present invention provides a~~ A ~~method and system~~ of creating an education simulation having a character ~~for that~~ a learner ~~to interacts~~ with is disclosed. The method ~~comprising the steps of~~ includes providing a simulation interface through a simulation software code, wherein the character appears within the simulation interface, providing a data storage area for storing a ~~at least one~~ trait of the character, the ~~at least one~~ trait having a trait value, communicating possible statements and/or actions through the simulation interface to the learner, receiving from the learner a chosen statement or action from the possible statements and/or actions, responding to the statement or action chosen by the learner by providing a character response by the character, wherein the character response provided is determined by the trait value of the at least one trait, and generating new possible statements and/or actions for the learner contained within the data storage area. Also provided is a system for performing the method. The present invention also provides a method of creating a data structure for a character trait of a character for a conversation-based educational simulation for a learner. The method comprises the steps of providing character trait data structure editing software, creating a data structure comprising a set of initial values for the character trait, a set of personalization variables for the character which cause the character to respond in a particular manner to selections of the learner, and set of effect values for use within the calculation of a trait value for the character trait in response to the selections of the learner. Also provided is a system for performing the method.